

9 July 1953

MEMORANDUM FOR: Colonel White

SUBJECT: : Audit of Account of [REDACTED]

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1. With the exception of one item (\$2,329.25), the attached memoranda explain that all of the auditor's suspensions, exceptions and recommendations have been resolved to the mutual satisfaction of the Field Audit Branch and the [REDACTED]

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2. The one exception relates to the suspension of \$2,329.25 placed by the audit report against the real estate agent's charge for personal and out-of-pocket expenses. The Auditor-in-Chief (paragraph 2, memorandum dated 23 June 1953) concurs with the Procurement Officer's recommendation that this suspension be removed and the real estate agent's accounts cleared. This seems in order and accordingly recommend your signature on attached Tab A.

3. The attached papers also bring out that the Finance Division cannot consider this matter entirely closed until the Comptroller has answered the Finance Division memorandum of 28 April requesting confirmation of procedures. Recommend your signature on attached Tab B to complete this.

4. The additional points made in the attached memoranda are:

a. That the Auditor-in-Chief feels there should have been closer liaison between the [REDACTED] and the responsible elements of the Finance Division, that steps are being taken to accomplish this, and that progress is being made (paragraph 3 (a) and (b), memorandum from Auditor-in-Chief dated 23 June).

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b. That the Auditor-in-Chief thinks that the real estate agent might be underpaid.

5. Memorandum dated 30 June from the [REDACTED]

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[REDACTED] answers point 2 and indicates that the amount recently paid is no basis for judgment, as \$2,500 of this amount was for services that pre-date 1 November 1951, and that most current figures (i.e., for 1 July 1952 - 30 June 1953) show that the real estate agent received approximately 10.2% of gross leases. I concur with the judgment of [REDACTED] as the quality and quantity of real estate agent's work differs widely and materially from that of a real estate agent who effects the normal type of leases.

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CC: DD/A chrono